



CURRENCY

Committee on Financial Services

Michael G. Oxley, Chairman

For Immediate Release:

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**Wednesday, November 7,
2001**

Statement

Chairman Michael G. Oxley

Committee on Financial Services

November 7, 2001

I commend President Bush for the actions taken today to shut down the informal financial network that helped fund the 9/11 plot.

The money laundering provisions which originated in the Financial Services Committee and were signed into law by President Bush as part of the USA PATRIOT Act tightened licensing requirements on these money-transferring businesses. Once the regulations are in place, all financial institutions will have to know the true identity of their customers, and customers will have to give true information when opening accounts.

Another provision that originated in the Committee and was signed into law makes it clear that people who use secret, big-dollar private banking accounts to transfer funds for others are subject to the same laws as street-corner money-transfer businesses. This closed a massive loophole that has in the past allowed millions, perhaps billions, of dollars of drug or terror money to flow unseen through the U.S. banking system.

The new law should make seizures similar to those carried out in Columbus and other cities easier to execute in the future, as we progress with bringing informal financial networks under the formal money laundering laws.

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